

IC 20-43-3

Chapter 3. General Computations; Amounts Used in State Tuition Support Calculations

IC 20-43-3-1

Rounding conventions

Sec. 1. If a computation under this article results in a fraction and a rounding rule is not specified, the fraction shall be rounded as follows:

- (1) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent (\$0.0001).
- (2) All tax levies shall be computed by rounding the levy to the nearest dollar (\$1) amount.
- (3) All state tuition support distributions shall be computed by rounding the state tuition support distribution to the nearest cent (\$0.01).
- (4) If a calculation is not covered by subdivision (1), (2), or (3), the result of the calculation shall be rounded to the nearest ten-thousandth (.0001).

As added by P.L.2-2006, SEC.166.

IC 20-43-3-2

Calculation; excise tax revenue

Sec. 2. (a) This subsection does not apply to a charter school. A school corporation's excise tax revenue is the sum of the:

- (1) financial institution excise tax revenue (IC 6-5.5);
- (2) motor vehicle excise taxes (IC 6-6-5);
- (3) commercial vehicle excise taxes (IC 6-6-5.5);
- (4) boat excise tax (IC 6-6-11); and
- (5) aircraft excise tax (IC 6-6-6.5);

the school corporation received for deposit in the school corporation's general fund in a calendar year or would have received for deposit in the school corporation's general fund in a calendar year if the settlement of property taxes first due and payable in the calendar year had been made on the schedule required under IC 6-1.1-27-1.

(b) A charter school's excise tax revenue for a calendar year is zero (0).

As added by P.L.2-2006, SEC.166.

IC 20-43-3-3

Certification; excise tax revenue

Sec. 3. Not later than January 15 each year, the department of local government finance shall certify to the department the amount of each school corporation's excise tax revenue for the immediately preceding year. In 2006, the department of local government finance shall certify to the department the amount of each school corporation's excise tax revenue for both 2004 and 2005. The department may rely on the excise tax revenue amounts certified by the department of local government finance under this section in

making calculations under this article.
As added by P.L.2-2006, SEC.166.

IC 20-43-3-4

Calculation; previous year revenue

Sec. 4. (a) A school corporation's previous year revenue equals the amount determined under STEP TWO of the following formula:

STEP ONE: Determine the sum of the following:

- (A) The school corporation's basic tuition support for the year that precedes the current year.
- (B) The school corporation's maximum permissible tuition support levy for the calendar year that precedes the current year, made in determining the school corporation's adjusted tuition support levy for the calendar year.
- (C) The school corporation's excise tax revenue for the year that precedes the current year by two (2) years.

STEP TWO: Subtract from the STEP ONE result an amount equal to the sum of the following:

- (A) The reduction in the school corporation's state tuition support under any combination of subsection (b), subsection (c), IC 20-10.1-2-1 (before its repeal), or IC 20-30-2-4.
- (B) In 2006, the amount of the school corporation's maximum permissible tuition support levy attributable to the levy transferred from the school corporation's general fund to the school corporation's referendum tax levy fund under IC 20-46-1-6.

(b) A school corporation's previous year revenue must be reduced if:

- (1) the school corporation's state tuition support for special or vocational education is reduced as a result of a complaint being filed with the department after December 31, 1988, because the school program overstated the number of children enrolled in special or vocational education programs; and
- (2) the school corporation's previous year revenue has not been reduced under this subsection more than one (1) time because of a given overstatement.

The amount of the reduction equals the amount the school corporation would have received in state tuition support for special and vocational education because of the overstatement.

(c) A school corporation's previous year revenue must be reduced if an existing elementary or secondary school located in the school corporation converts to a charter school under IC 20-5.5-11 before July 1, 2005, or IC 20-24-11 after June 30, 2005. The amount of the reduction equals the product of:

- (1) the sum of the amounts distributed to the conversion charter school under IC 20-5.5-7-3.5(c) and IC 20-5.5-7-3.5(d) before July 1, 2005, and IC 20-24-7-3(c) and IC 20-24-7-3(d) after June 30, 2005; multiplied by
- (2) two (2).

As added by P.L.2-2006, SEC.166.

IC 20-43-3-5

Calculation; adjusted tuition support levy

Sec. 5. (a) As used in this section, "school corporation" does not include a charter school.

(b) A school corporation's adjusted tuition support levy for a calendar year is the result determined using the following formula:

STEP ONE: Determine the school corporation's maximum permissible tuition support levy.

STEP TWO: Determine the sum of the following:

(A) An amount equal to the annual decrease in federal aid to impacted areas from the calendar year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(B) The part of the school corporation's maximum permissible tuition support levy for the calendar year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding calendar year.

(C) The part of the school corporation's maximum permissible tuition support levy for the calendar year that is added to the school corporation's maximum permissible tuition support levy in the calendar year to provide revenue for one (1) or more charter schools attended by students with legal settlement in the school corporation.

STEP THREE: Determine the difference of:

(A) the STEP ONE amount; minus

(B) the STEP TWO amount.

As added by P.L.2-2006, SEC.166.

IC 20-43-3-6

Adjustment; assessed valuation; property of bankrupt railroad

Sec. 6. (a) For purposes of this section, "school corporation" does not include a charter school.

(b) Adjusted assessed valuation of any school corporation that is used in computing a school corporation's state tuition support for a calendar year must be the assessed valuation in the school corporation, adjusted as provided in IC 6-1.1-34.

(c) The amount of the valuation described in subsection (b) must also be adjusted downward by the department of local government finance to the extent it consists of real or personal property owned by a railroad or other corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, the state superintendent shall prescribe adjustments in the distributions of state tuition support that subsequently become due to a school corporation affected by the delinquency. The adjustment must ensure that the school corporation

will not have been unjustly enriched under P.L.382-1987(ss).

(d) The amount of the valuation described in subsection (b) must also be adjusted downward by the department of local government finance to the extent it consists of real or personal property described in IC 6-1.1-17-0.5(b).

As added by P.L.2-2006, SEC.166.